REMARKS

The Office Action dated October 8, 2008 has been received and carefully noted.

The above amendments to the claims, and the following remarks, are submitted as a full and complete response thereto.

Claims 14, 20, 21, 25 and 26 have been amended to more particularly point out and distinctly claim the subject matter of the invention. No new matter has been added and no new issues are raised which require further consideration or search.

The Office Action indicated that claims 1-13, 17-20, 22-24 and 27-30 have been allowed. Applicant wishes to thank the Examiner for the allowance of these claims. However, claims 14, 20, 21, 25, 26 and 31-35 are respectfully submitted for reconsideration. Claims 1-35 are presently pending.

Initially, Applicant wishes to thank the Examiner for the time extended during the telephonic interview conducted on January 13, 2009. Applicant submits that based on the discussions, the previously allowed claims and the currently amended claims, that all currently pending claims 1-35 are in condition for allowance.

Claims 14-16, 21, 25, 25 and 31-35 were rejected under 35 U.S.C. §103(a) as being unpatentable over Scott Robert (U.S. Patent No. 5,311,596) in view of Bisbee (U.S. Patent Publication No. 2004/009493). The Office Action took the position that Scott Robert discloses all of the elements of the claims, with the exception of an authenticating data block. The Office Action then cited Bisbee as allegedly curing this deficiency in Scott Robert. This rejection is respectfully traversed for at least the following reasons.

Claims 14, 20, 21, 25 and 26 have been amended and now recite subject matter

that is considered allowable by the Office Action's in view of the allowed claims 1-13,

17-19, 22-24 and 27-30.

Claims 14 and 25 have been amended to recite "choosing one of the challenges for

use in the terminal, and based on the challenge, determining a response and a key to be

used with an aid of an identification unit of the terminal", and, thus, recite allowable

subject matter. Similarly, claim 20 has also been amended to recite similar claim

recitations to those recited in claims 14 and 25.

As for claims 21 and 26, these claims recite features which are similar to those

recited in allowable claim 17.

For at least the reasons discussed above, Applicants respectfully submit that the

cited references fail to disclose or suggest all of the elements of the claimed invention.

These distinctions are more than sufficient to render the claimed invention unanticipated

and unobvious. It is therefore respectfully requested that all of claims 1-35 be allowed,

and this application passed to issue.

If for any reason the Examiner determines that the application is not now in

condition for allowance, it is respectfully requested that the Examiner contact, by

telephone, the applicant's undersigned representative at the indicated telephone number to

arrange for an interview to expedite the disposition of this application.

In the event this paper is not being timely filed, the applicant respectfully petitions for an appropriate extension of time. Any fees for such an extension together with any additional fees may be charged to Counsel's Deposit Account 50-2222.

Respectfully submitted,

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Enclosures: Petition for Extension of Time

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